REMARKS

The applicant has amended claim 1 and cancelled claim 4 to clarify that the phage display library is derived from Ilama antibodies derived from a <u>non-immunized</u> Ilama.

The cited reference of Casterman (WO 94/04678) teaches "immunized" VHH libraries not naive VHH libraries. It would not be obvious to produce naive VHH libraries of the type claimed herein based on the cited art. For example, it is known that in the immune system naive antibodies are in the form of IgM whereas "immunized" antibodies are in the form of IgGs. Thus, naive libraries would generally be constructed from IgM genes using IgM-specific primers, whereas immunized libraries are generally constructed from IgG genes using IgG-specific primers. In the case of heavy-chain antibodies (i.e. VHH) it is known that immunized VHHs in the body are in the context of IgGs, but the origin of naive VHHs or whether or not VHH IgMs exists was not known. It was in fact surprising that the naive library claimed herein was able to be constructed as it was.

Thus, the applicant submits that claim Groups 1, 2, and 3 share a common technical feature, and should therefore be examined together.

Respectfully submitted,

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CERTIFICATE OF FACSIMILE TRANSMISSION

I hereby certify that this paper is being facsimile transmitted to the Patent and Trademark Office on the date shown below.

Margaret McKav

March 22, 2004